

ECONOMIC DEVELOPMENT AUTHORITY[261]

Notice of Intended Action

Proposing rule making related to the brownfield and grayfield redevelopment tax credit and providing an opportunity for public comment

The Economic Development Authority hereby proposes to amend Chapter 65, “Brownfield and Grayfield Redevelopment,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 15.106A.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 15.293B(4) and 15.295.

Purpose and Summary

The proposed rule making makes the following changes. First, it removes the application scoring criterion which gives projects an additional 25 points if the project was registered under the program in a prior year. Although this criterion may have been desirable when the credit first became competitive, the Authority has experienced an influx of applications for projects that are not ready to move forward but rather are applying only for the purpose of receiving the additional 25 points in a future application round. Second, the rule making removes the 12-month maximum extension for project completion. The removal of this language brings the rules into agreement with language in Iowa Code section 15.293B(4).

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Authority no later than 4:30 p.m. on March 5, 2019. Comments should be directed to:

Jennifer Klein
Economic Development Authority
200 East Grand Avenue
Des Moines, Iowa 50309
Phone: 515.348.6144
Email: jennifer.klein@iowaeda.com

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend paragraph **65.8(2)“a”** as follows:

a. Each application for tax credits during each established application period will be scored according to criteria set forth in this paragraph. Points will be added together and the resulting score averaged with the scores of applications evaluated by all council members. Scoring criteria include:

(1) The project’s feasibility: 25 points.

(2) The project’s financial need: 25 points.

(3) The project’s quality: 25 points.

(4) ~~Whether the project was formerly registered under the program but did not receive an award:~~
~~25 points.~~

ITEM 2. Amend paragraph **65.11(7)“b”** as follows:

b. A registered project shall be completed within 30 months of the project’s approval unless the authority, with the approval of the board, provides additional time to complete the project. ~~A project shall not be provided more than 12 months of additional time.~~ If the registered project is not completed within the time required, the project is not eligible to claim a tax credit.